

WC DOCKET NO. 05-196
SUBSCRIBER NOTIFICATION REPORT
SEPTEMBER 22, 2005
OF US LEC ACQUISITION CO.

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I. Introduction

On August 10, 2005, US LEC Acquisition Co. ("US LEC") submitted a Subscriber Notification Report to the Federal Communications Commission ("FCC") and provided information on the measures it had taken, as of July 29, 2005, to advise each of its existing subscribers of the lack of E9-1-1 capability and to distribute warning labels to each existing subscriber instructing the subscriber to place the labels on or near the equipment used to make VoiceEclipseTM calls ("August 10 Report"). On September 1, 2005, pursuant to the Public Notice issued August 26, 2005 by the Enforcement Bureau of the FCC,² US LEC submitted its first follow up of the August 10 Report on US LEC's compliance efforts and asked the FCC to refrain from enforcement of the requirement that US LEC obtain affirmative acknowledgements from its subscribers (47 C.F.R. § 9.5(e)(2)) until September 28, 2005. As directed by the Public Notice, US LEC submits an additional update to the August 10 Report.

II. Description of Action to Notify Existing and New Subscribers of the Availability of E911 Service Using VoiceEclipseTM

A. Existing Subscribers as of July 28, 2005

As of July 29, 2005, US LEC has sent notification and warning labels to 100% of its existing subscribers. Specifically, as previously described in US LEC's August 10 Report, on July 28, 2005, US LEC sent to each existing subscriber an e-mail disclosing, in prominent and plain language, that VoiceEclipseTM had no E911 capability and that dialing 9-1-1 would not provide connection with any type of emergency services ("E911 Service Disclosure" or "Disclosure"). The notice recommended that the subscriber have an alternate source of connection to the public switched telephone network to access E911 services. The e-mail provided the subscriber the ability to return an affirmative acknowledgement of the notice by: (a) going to the subscriber's account page with VoiceEclipseTM and doing a click through to read and acknowledge the Disclosure electronically or (b) downloading the Disclosure (in .pdf form) and executing the acknowledgement and either (i) returning a copy via fax to US LEC at the number provided or (ii) mailing the original to US LEC at the address provided.

¹ VoiceEclipseTM is the interconnected Voice over Internet Protocol ("VoIP") service provided by US LEC Acquisition Co. ("US LEC") to residential and business customers.

² *Public Notice, Enforcement Bureau Provides Further Guidance to Interconnected Voice Over Internet Protocol Service Providers Concerning Enforcement of Subscriber Acknowledgement Requirement*, WC Docket No. 04-36, WC Docket No. 05-196 (DA 05-2358, Released: August 26, 2005) ("Public Notice").

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Further, as previously reported, on July 28, 2005, US LEC mailed a hard copy of the Disclosure along with four (4) warning labels required to be distributed to all existing subscribers by U.S. Mail, first-class, postage prepaid.

Additionally, on August 15, 2005, August 26, 2005, and September 21, 2005, US LEC sent follow-up e-mails to any existing subscriber that had not provided an affirmative acknowledgement as of the date of the e-mail that included the Disclosure along with a notification that if the subscriber failed to return the acknowledgement to US LEC, the subscriber's VoiceEclipse™ services would be disabled. On September 22, 2005, in an effort to have affirmative acknowledgements from 100% of its existing subscribers, US LEC has implemented its plan to personally call each subscriber for which US LEC has not received an affirmative acknowledgement and remind each of these subscribers that if the affirmative acknowledgement is not returned to US LEC prior to September 28, 2005, the subscriber's VoiceEclipse™ will be disabled. The subscriber, however, will be advised that the subscriber will have the capability of calling the Network Operations Center ("NOC") of US LEC so that US LEC can explain what the actions the subscriber must undertake in order to have its normal service restored.

B. New Subscribers as of July 28, 2005

As set forth in the August 10, 2005 Report, as of July 28, 2005, any person that wishes to subscribe to VoiceEclipse™ must first read and acknowledge the notice on the lack of E911 service in order to proceed to subscribe to the service. If the person does not affirmatively acknowledge that he/she has read and understands the disclosure, the person is not permitted to proceed with subscribing to VoiceEclipse™.

If the person makes the affirmative acknowledgement and subscribes to VoiceEclipse™, then US LEC either (a) ships the necessary ATA equipment to initiate the VoiceEclipse™ service with one warning label affixed to the ATA equipment and 3 additional warning labels with instructions to place on the customer premises equipment used to place calls using the VoiceEclipse™ service, or (b) mails out 4 warning labels with instructions to place on the customer premises equipment used to place calls using the VoiceEclipse™ service when the customer wants to use all its own ATA equipment.

III. Quantification of How Many of US LEC's Subscribers, on a Percentage Basis, Have Submitted an Affirmative Acknowledgement as of September 22, 2005 and Estimate of the Percentage of Subscribers from whom US LEC Does Not Expect to Receive an Acknowledgement

- A. As of September 22, 2005, sixty-six percent (66%) of the subscribers existing as of July 28, 2005 have submitted affirmative acknowledgements to US LEC.

As of September 22, 2005, 100% of new subscribers as of July 29, 2005 have submitted affirmative acknowledgements to US LEC.

- B. US LEC expects that less than 5% percent of the existing subscribers as of July 28, 2005 will not submit affirmative acknowledgements by September 28, 2005.

Any person subscribing on or after July 29, 2005 must affirmatively acknowledge the E911 Service Disclosure or the person will not be provided VoiceEclipse™ service.

IV. Description of Any and All Actions US LEC Plans on Taking Towards Any of Its Subscribers that Do Not Affirmatively Acknowledge Having Received and Understood the Advisory by September 28, 2005

US LEC has created a spreadsheet that lists each of the existing subscribers that were sent a Disclosure on July 28, 2005. As an acknowledgement is received, either electronically or the hard copy received via facsimile or in the mail, the receipt is reflected on the spreadsheet. On September 27, 2005, US LEC will make a final review of the records (either kept electronically or hard copy), and, on September 28, 2005, will disable the subscriber's ability to originate or terminate calls via VoiceEclipse™, with the exception that the subscriber may call the US LEC NOC to permit the subscriber to restore its VoiceEclipse™ service by following the US LEC's instructions as to how to provide affirmative acknowledgement to the E911 Service Disclosure.

V. A Detailed Description Of Any And All Plans To Use A “Soft” Or “Warm” Disconnect (Or Similar) Procedure For Subscribers That Fail To Provide An Affirmative Acknowledgement By September 28, 2005.

US LEC will utilize a “soft” or “warm” disconnect for any subscriber that fails to provide the affirmative acknowledgement by September 28, 2005. As US LEC’s VoiceEclipse™ service has no E911 capability, the “soft” disconnect will prevent the subscriber from originating and terminating calls to the public switched network, but will permit the subscriber to call the US LEC NOC for information on the reason for the service disruption and the actions that the subscriber must take in order to have its service restored.